



**DEFENSE LOGISTICS AGENCY**  
THE DEFENSE CONTRACT MANAGEMENT COMMAND  
8725 JOHN J. KINGMAN ROAD, SUITE 2533  
FT. BELVOIR, VIRGINIA 22060-6221

IN REPLY  
REFER TO AQOG

July 5, 1996

MEMORANDUM FOR COMMANDERS, DEFENSE CONTRACT MANAGEMENT  
DISTRICTS  
COMMANDERS, DCMC CONTRACT ADMINISTRATION  
OFFICES

SUBJECT: DCMC Memorandum No. 96-19 Contract Performance Reporting Requirement  
(POLICY)

This is a POLICY memorandum. It expires when content is included in DLAD 5000.4, Contract Management (One Book), not to exceed one year. Target Audience: All DCMC Employees.

Customers of DCMC require accurate contractor **performance** history to make proper best value judgments during source selections. DCMC is the primary source of this performance data and has an obligation to maintain accurate and complete performance data on the contracts we administer.

We must record contract **performance** history as soon as possible **after** production is completed on a contract. Recent reviews revealed that in many cases, contracts were being closed out without any input to MOCAS history files. A second problem results when modifications are issued extending the delivery date without identification as to the reason for the delay and whether the delay was Government or contractor caused.

Effective upon receipt of this memorandum, once physical completion of a contract has been verified (normally upon movement into MOCAS CAR Section 2), all Contract Administration Offices will annotate the Contractor History File, UNKP10. This action generates an **R8** Production Complete Remark. The file will clearly indicate whether a delinquency was Government or contractor caused. Even though the file permits the use of "Unknown" as a cause, "Unknown" or blanks will not be used. To assist you in accomplishing this requirement, an enhancement to MOCAS is in progress which will generate a notification when a contract moves into Section 2. Management should monitor their progress by reviewing how many contracts moved to Section 5 in the previous month without completion of the Contractor History File. Information entered on all contracts shall include whether the contract/line items were completed on time to both the original and modified delivery schedules.

We must provide the contractor the opportunity to review and comment on all contract delinquency information. When the annotation in the Contractor History File indicates the contractor is responsible for a delinquency, the contractor will be notified and given an opportunity to present evidence that the delinquency was Government caused. In those cases where the contractor does provide proof that the delinquency was Government caused, the Contractor History File will be updated with the correct information. The contract closeout process should not be held up waiting on a possible contractor response.

All Administrative Contracting Officers will clearly **identify** the reason for delay on each modification issued to extend a contract delivery date and whether the delay was Government or contractor caused. Contractors should be made aware of determinations that modifications are considered to be contractor caused. The contractor should be given an opportunity to respond and provide evidence that would support a determination that the modification was Government caused. If it is determined that the modification was Government caused, the contract file will be corrected and the buying activity notified of the change.

When making determinations as to whether a modification or delinquency is Government or contractor caused, we must look at all factors affecting the delinquency. In some cases, such as late Government **furnished** material, the cause is clearly the Government. In other cases, there may be both Government and contractor causes. In those cases, the Government will be listed as the cause. There should be no surprises concerning delinquency data which will be used to measure the **performance** of a contractor.

Questions concerning this directive may be referred to Mr. Ron O'Daniell, Product & Manufacturing Assurance Team (AQOG), at (703) 767-3360.

A handwritten signature in black ink, appearing to read 'Robert W. Drewes', with a long horizontal flourish extending to the right.

ROBERT W. DREWES  
Major General, USAF  
Commander